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ARTICLE ONE: INTRODUCTION

This AEGIS Combat System Project Agreement (ACS PA) hereby establishes the _____ (insert name of project) _____ as a Project in accordance with the Memorandum of Agreement between the Department of Defense of the United States of America (U.S. DOD) and the Minister of Defense of the Kingdom of Spain (SP MOD) for the Research, Development, Test, Evaluation, Production, and Life Cycle Support Activities for Technologies and Systems for AEGIS-Equipped Ships.

ARTICLE TWO: DEFINITION OF TERMS AND ABBREVIATIONS

(Define only those terms used in this ACS PA that have not been defined in the AEGIS Framework MOA).

ARTICLE THREE: OBJECTIVES

3.1. The objectives of this _____ Project are:

(For example:

3.1.1. The development of _____

3.1.2. The improvement of _____
_____.)

ARTICLE FOUR: SCOPE OF WORK

4.1. The following work shall be undertaken under this ACS PA.
(In addition to the format below, identify any tasks which may not permit the standard use and disclosure of Project Information)

(For Example:

4.1.1. Develop _____

4.1.2. Evaluate _____

4.1.3. Design, fabricate and test _____
_____)

ARTICLE FIVE: SHARING AND BREAKDOWN OF WORK

5.1. The sharing of work shall be as follows: (list responsibilities, tasks and phases.)

(For example:

5.1.1. The U.S. DOD shall _____

5.1.2. The SP MOD shall _____

5.1.3. The SP MOD and U.S. DOD shall jointly _____

ARTICLE SIX: SCHEDULE OF TASKS

(OPTIONAL)

(When the tasks covered under this Project may be performed using multiple phases, requiring milestones or decision points).

6.1. The project shall proceed according to the following phases and schedule:

<u>Phase 1</u>	<u>Start</u>	<u>End</u>
Description of Phase 1	MM/DD/YY	MM/DD/YY

(Milestone 1) (e.g. Transmittal of Feasibility Report)

<u>Phase 2</u>	<u>Start</u>	<u>End</u>
Description of Phase 2	MM/DD/YY	MM/DD/YY

(Milestone 2) (e.g. Decision to proceed to phase 3)

<u>Phase 3</u>	<u>Start</u>	<u>End</u>
Description of Phase 3	MM/DD/YY	MM/DD/YY

(Milestone 3) (e.g. Evaluation, analysis of results)

(Add as many phases as necessary)

6.2. The final report must be transmitted to the PRs six months before the termination date for this ACS PA.

ARTICLE SEVEN: MANAGEMENT

7.1. (Optional) Spanish MOD PSC Member:

Spain PSC Member	Title/Position
	Organization
	Address

7.2. (Optional) U.S. DOD PSC Member:

U.S. PSC Member	Title/Position
	Organization
	Address

7.3. Project Manager:

PM	Title/Position
	Organization
	Address

7.4. Deputy Project Manager:

Deputy PM	Title/Position
	Organization
	Address

7.5. (Optional Paragraph) The Project Management Office (PMO) shall be established in _____ to manage the Project. The Department of Defense shall appoint the PM, who, as head of the PMO, shall be responsible for implementing this ACS PA and for day-to-day management of the Project.

7.6. (Optional Paragraph, required if paragraph 7.5. is used) The responsibilities of personnel assigned to the PMO are detailed in Annex (a) to this ACS PA.

7.7. (Optional Paragraph, use for ACS PAs where work efforts will be executed in "work packages" and managed nationally). Project Offices shall be established in (name organization and location in Spain) and in (name organization and location in the U.S.). The Program Executive Officer for Theater Surface Combatants shall appoint the U.S. PM, and the Spanish MOD shall appoint the Spanish

PM, both of whom shall be responsible for implementing this ACS PA and for carrying out the Project.

7.8. (Optional Paragraph, use for ACS PAs when paragraph 7.7. is used.) The assignment of management responsibilities for each project task is set forth below:

TASK	U.S.	Project Manager Spain
e.g. Develop test plan		
e.g. Build test articles		

ARTICLE EIGHT: FINANCIAL ARRANGEMENTS

ALTERNATIVE 1:

Use this alternative for Projects that will be jointly funded and administered by a PMO staffed by DoD personnel and Cooperative Project Personnel (CPP). Note that the provisions of paragraphs 5.6, 5.7, and 5.8 of the AEGIS Framework MOA apply to this alternative.

8.1. The Parties agree that the cost of performance of the work under this ACS PA shall not exceed ____ Fiscal Year 20XX U.S. dollars. The U.S. dollar shall be the reference currency and the Project Fiscal Year shall be the U.S. Fiscal Year.

8.1.1. The U.S. DOD share of the work shall not cost more than X US dollars: _____.

8.1.2. The SP MOD share of the work shall not cost more than Y US dollars: _____.

8.2. Cooperative efforts of the Parties over and above the jointly agreed work set forth in the Scope of Work and Sharing and Breakdown of Work and Financial Arrangements Articles shall be subject to amendment to this ACS PA or signature of a new ACS PA.

8.3. Each Party shall contribute its equitable share of the full Financial Costs and Non-financial Costs of the Project, including overhead costs, administrative costs, and costs of claims, and shall receive a equitable share of the results of the Project.

8.4. Each Party shall bear the costs it incurs for performing, managing, and administering its activities under this ACS PA and all such costs shall be included as part of each Party's contribution to the Project. These costs include salaries, travel

and per diem for its Project personnel, as well as any Contract costs.

8.5. Participation in the Project shall include both Financial and Non-financial Contributions to directly support Project efforts. Values have been mutually agreed to for Project Non-financial Contributions.

8.6. The following costs shall be borne entirely by the Party incurring the costs or on whose behalf the costs are incurred:

8.6.1. Costs associated with national representation at meetings by non-PMO members.

8.6.2. Costs associated with any unique national requirements identified by a Party.

8.6.3. Any other costs not expressly stated as shared costs or any costs that are outside the scope of this ACS PA.

8.7. A Party shall promptly notify the other Party if available funds are not adequate to fulfill its obligations under this ACS PA. If a Party notifies the other Party that it is terminating or reducing its funding for this Project, both Parties shall immediately consult with a view toward continuation on a modified basis.

ALTERNATIVE 2:

Use this alternative for Projects that will not be jointly funded and not administered by a PMO staffed by DoD personnel and Cooperative Project Personnel (CPP).

8.1. Each Party shall contribute its equitable share of the full Financial Costs and Non-financial Costs of the Project, including overhead costs, administrative costs, and costs of claims. The assignment of work represents a sharing of work to be performed under the Project, and each Party shall receive a equitable share of the results of the Project.

8.2. Each Party shall fund the full extent of its participation in this Project. The Parties estimate that the performance of the obligations under this Agreement shall not cost more than a Financial Cost Ceiling of _____ Fiscal Year 20xx U.S. dollars. The U.S. dollar shall be the reference currency for the Project and the Project fiscal year shall be the U.S. fiscal year.

8.3. The full Financial Costs and Non-financial Costs of the Project, as identified in this Article and reflected in an Annex (typically, Annex(b) (Financial Matters)) to of this ACS PA, shall be shared according to the following percentages:

Party	Percentage Share
_____	_____
_____	_____

8.4. The Parties shall use their best efforts to perform, or to have performed, the work specified in Article III (Scope of Work) and fulfill all the obligations under this Agreement within the Financial Cost Ceiling specified in paragraph 8.1.

8.5. Each Party shall bear the full Financial Costs and Non-financial Costs it incurs for performing, managing, and administering its activities under this Agreement and all such costs shall be included as part of each Party's contributions to the Project. These costs include financial and non-financial contributions (e.g., salaries, travel, and per diem costs for each Party's Project personnel), as well as any Contract costs. Values have been mutually agreed to for Project non-financial contributions. Both financial and non-financial contributions are detailed in Annex (b) (Financial Matters).

8.6. Cooperative efforts of the Parties over and above the jointly agreed work set forth in Article III (Scope of Work) shall be subject to future agreement by the Parties.

8.7. The following costs shall be borne entirely by the Party incurring the costs:

8.7.1. Costs associated with any unique national requirements identified by a Party.

8.7.2. Any other costs outside the scope of this Agreement.

8.8. A Party shall promptly notify the other Party if available funds are not adequate to fulfill its obligations under this Agreement. If a Party notifies the other Party that it is terminating or reducing its funding for this Project, both Parties

shall immediately consult with a view toward continuation on a modified basis.

ARTICLE NINE: CONTRACTING
(OPTIONAL)

9.1. The _____ (acting through the _____) shall be responsible for Contracting under this ACS PA in accordance with its national laws, regulations, and procedures and with Article VI of the AEGIS Framework MOA.

ARTICLE TEN: CLASSIFICATION

10.1. Only one of the three following possibilities must be selected:

Only Unclassified Information shall be exchanged under this ACS PA; or

The highest level of Classified Information exchanged under this ACS PA is Confidential; or

The highest level of Classified Information exchanged under this ACS PA is Secret.

10.2. The existence of this Agreement is (Unclassified, Confidential, or Secret) and the contents are (Unclassified, Confidential, or Secret) .

ARTICLE ELEVEN: PRINCIPAL ORGANIZATIONS INVOLVED

(List government laboratories, universities, industry and other organizations.)

ARTICLE TWELVE: INVENTORY OF PROJECT EQUIPMENT EXCHANGES
(OPTIONAL)

Nomenclature	Part No./ Model No.	Replacement Value	Receiving Party	Date Transferred
		25		

ARTICLE THIRTEEN: USE AND DISCLOSURE OF PROJECT INFORMATION

(IDENTIFY ANY USE AND DISCLOSURE RESTRICTIONS FOR
PROJECT INFORMATION UNDER THE PA)

ARTICLE FOURTEEN: ENTRY INTO FORCE, DURATION AND TERMINATION

This _____ ACS PA, a
Project under the the Memorandum of Agreement between the
Department of Defense of the United States of America, the

Minister of Defense of the Kingdom of Spain for Research, Development, Test, Evaluation, Production, and Life Cycle Support Activities for Technologies and Systems for AEGIS-Equipped Ships shall enter into force upon signature by the Parties, and shall remain in force for _____ years unless terminated by either Party. It may be extended by written agreement of the Parties.

IN WITNESS WHEREOF, the undersigned, being duly authorized by their governments, have signed this Agreement.

DONE, in duplicate, in the English language.

FOR THE DEPARTMENT OF DEFENSE
OF THE UNITED STATES OF
AMERICA

FOR THE MINISTER OF DEFENSE OF
THE KINGDOM OF SPAIN

Signature

Signature

SAMPLE ONLY.

Name

Name

Title

Title

DO NOT SIGN.

Date

Date

Location

Location

ANNEX (a) TO ANNEX A
COOPERATIVE PROJECT PERSONNEL FOR THE (insert name of the
project) PROJECT

1.0. Purpose and Scope

1.1. This Annex establishes the provisions that shall govern the conduct of Cooperative Project Personnel (CPP). The Parent Party shall assign military members or civilian employees to the Host Party Project Management Office in accordance with the AEGIS Combat System Project Agreement (ACS PA) and this Annex. CPP must be able to perform all the responsibilities assigned to them under an ACS PA and the AEGIS Framework Memorandum of Agreement (MOA). Commencement of assignments shall be subject to any requirements that may be imposed by the Host Party or its government regarding acceptance of CPP, such as, but not limited to, visas and visit request documentation. The Project Manager (PM) shall determine the length of tour for the positions at the time of initial assignment.

1.2. CPP shall be assigned to the Host Party's project office for Project work and shall report to the Host Party PM regarding that work. The PMs shall be responsible for the creation of a document describing the duties of each CPP position, which shall be subject to approval by each other. CPP shall not act as liaison officers on behalf of the Parent Party on non-Project work unless authorized in writing by the Host Party upon the request of the Parent Party.

1.3. CPP shall not be assigned to command or other positions that would require them to exercise responsibilities that are reserved by law or regulation to an officer or employee of the Host Party's government.

2.0. Security

2.1. The PMs shall establish the maximum level of security clearance required, if any, to permit CPP to have access to Classified Information and facilities in which Classified Information is used in accordance with the ACS PA Project Security Instruction (PSI) and Classification Guide (CG). Access to Classified Information and facilities in which Classified Information is used shall be consistent with, and limited by, Article II (Objectives) and Article III (Scope of Work) of this AEGIS Framework MOA, and the associated ACS PA,

and shall be kept to the minimum required to accomplish the work assignments.

2.2. The Parent Party shall file visit requests for the CPP through prescribed channels in compliance with the Host Party's procedures. As part of the visit request procedures, the Parent Party shall cause security assurances to be filed, through the Parent Party's government embassy located in the Host Party's country specifying the security clearances for the CPP being assigned.

2.3. The Host Party and Parent Party shall use their best efforts to ensure that CPP assigned to the Host Party's project office are aware of, and comply with, applicable laws and regulations as well as the requirements of Article X (Controlled Unclassified Information), Article XI (Visits to Establishments), Article XII (Security), and paragraph 19.6 of Article XIX (Amendment, Termination, Entry into Force, and Duration) of the AEGIS Framework MOA and the provisions of the ACS PA PSI and CG. Prior to commencing assigned duties, CPP will, if required by the Host Party's government laws, regulations, policies, or procedures, sign a certification concerning the conditions and responsibilities of CPP.

2.4. CPP shall at all times be required to comply with the security and export control laws, regulations, and procedures of the Host Party's government. Any violation of security procedures by CPP during their assignment shall be reported to the Parent Party for appropriate action. CPP committing significant violations of security and export control laws, regulations, or procedures during their assignments shall be withdrawn from the Project with a view toward appropriate administrative or disciplinary action by their Parent Party.

2.5. All Classified Information made available to CPP shall be considered as Classified Information furnished to the Parent Party, and shall be subject to all provisions and safeguards provided for in Article XII (Security) of the AEGIS Framework MOA and , and the ACS PA PSI and CG.

2.6. CPP shall not have personal custody of Classified Information or Controlled Unclassified Information unless approved by the Host Party and as authorized by the Parent Party. They shall be granted access to such Information in accordance with the AEGIS Framework MOA Article X (Controlled Unclassified Information) and Article XII (Security); the ACS PA; and the ACS PA PSI during normal duty hours at the Host

Party's project office when access is necessary to perform Project work.

2.7. CPP assigned shall not serve as a conduit between the Host Party and Parent Party for requests and/or transmission of Classified Information or Controlled Unclassified Information unless specifically authorized by the ACS PA PSI.

3.0. Technical and Administrative Matters

3.1. Consistent with Host Party's government laws, policies and regulations, CPP shall be subject to the same restrictions, conditions, and privileges as Host Party personnel of comparable rank and in comparable assignments. Further, to the extent authorized by Host Party's government laws and regulations, CPP and their authorized dependents shall be accorded:

3.1.1. Exemption from any Host Party's government tax upon income received from the Parent Party.

3.1.2. Exemption from any Host Party's government customs and import duties or similar charges levied on items entering the country for their official or personal use, including their baggage, household effects, and private motor vehicles.

3.2. On arrival CPP and their dependents shall be provided briefings arranged by the Host Party's project office about applicable laws, orders, regulations, and customs and the need to comply with them. CPP shall also be provided briefings arranged by the Host Party's project office regarding entitlements, privileges, and obligations such as:

3.2.1. Any medical and dental care that may be provided to CPP and their dependents at Host Party medical facilities, subject to the requirements of applicable laws and regulations, including reimbursement requirements.

3.2.2. Purchasing and patronage privileges at military commissaries, exchanges, theaters, and clubs for CPP and their dependents, subject to the requirements of applicable laws and regulations.

3.2.3. The Host Party shall provide, if available, housing and messing facilities for CPP and their

dependents on the same basis and priority as for its own personnel. CPP shall pay messing and housing charges to the same extent as Host Party personnel. At locations where facilities are not provided by the Host Party for its own personnel, the Parent Party shall make suitable arrangements for its CPP.

3.2.4. Responsibility of CPP and their accompanying dependents to obtain motor vehicle liability insurance coverage in accordance with the laws and regulations applicable in the area where they are residing. In case of claims involving the use of private motor vehicles by CPP, the recourse shall be against such insurance.

3.3. The Host Party PM will, in consultation with the CPP, establish standard operating procedures for CPP in the following areas:

3.3.1. Working hours, including holiday schedules.

3.3.2. Leave authorization, consistent to the extent possible with the military and civilian personnel regulations and practices of the Host Party and Parent Party.

3.3.3. Dress regulations, consistent to the extent possible with the military and civilian personnel regulations and practices of the Host Party and Parent Party.

3.3.4. Performance evaluations, recognizing that such evaluations shall be rendered in accordance with the Parent Party's military or civilian personnel regulations and practices.

3.4. CPP committing an offense under the laws of the government of the Host Party or Parent Party may be withdrawn from a Project with a view toward further administrative or disciplinary action by the Parent Party. Disciplinary action, however, shall not be taken by the Host Party against CPP, nor shall the CPP exercise disciplinary powers over the Host Party's personnel. In accordance with Host Party's government laws and regulations, the Host Party shall assist the Parent Party in carrying out investigations of offenses involving CPP.

3.5. During their assignment, CPP shall not be placed in the following duty status or environments unless mutually decided by the SC or Board of PRs:

3.5.1. Areas of political sensitivity where their presence may jeopardize the interests of either the Host Party or Parent Party, or where, in the normal course of their duty, they may become involved in activities which may embarrass any Party.

3.5.2. Deployments in non-direct hostility situations, such as UN peacekeeping or multi-national operations, or third countries.

3.5.3. Duty assignments in which direct hostilities are likely. Should a project office to which CPP are assigned become involved in hostilities unexpectedly, CPP assigned to that JPO shall not be involved in the hostilities. Any such CPP approved by the PMs for involvement in hostilities shall be given specific guidance as to the conditions under which the assignment shall be carried out by the appropriate authorities of the Host Party and Parent Party.

3.6. The provisions of the NATO Status of Forces Agreement regarding the rights of a sending state's military personnel and civilian employees and their respective dependents shall apply to CPP.